

BUSINESS IMPACT STATEMENT

BILL NO. 2009-22

(Updates the business licensing provisions of the Municipal Code by adding certain administrative and service-related fees, and adjusting various license fees and license origination charges)

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of a proposed ordinance, Bill No. 2009-22, that will update the business licensing provisions of the Municipal Code by adding certain administrative and service-related fees, and adjusting various license fees and license origination charges.

1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their responses and an explanation of the manner in which other interested persons may obtain a copy of the summary.

A copy of the proposed ordinance and an invitation to respond were provided to the Las Vegas Chamber of Commerce and other interested parties. Comments were received from the LVCC, the Nevada Tavern Owners Association, and on behalf of Bilbos Bar and Grill. A summary of those comments, which is available to interested persons as part of this business impact statement, is as follows:

- In the current state of the economy, adding new fees and increasing existing fees will be an unnecessary and ill-timed burden on the business community.
- Administrative fees and service charges, including those related to inspections, are unwarranted and burdensome.

2. The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:

Adverse effects:

- New or increased fees for administrative functions
- Increase in license-related fees for certain license categories

Beneficial effects:

- Increased and better enforcement of licensing regulations because of partial cost recovery

Direct effects:

- New or increased fees for administrative functions
- Increase in license-related fees for certain license categories
- Increased and better enforcement of licensing regulations because of partial cost recovery

Indirect effects:

None noted

3. The following constitutes a description of the methods the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:

No additional methods to reduce the impact were considered or used. The City's consideration of the objections that were raised includes the following:

–Many of the administrative and enforcement functions under the City's licensing regulations have not had any cost-recovery element associated with them, or cost recovery has been insufficient. Certain services and functions the City provides that are done at the request of a licensee or license applicant, or that are occasioned by a licensee or applicant, should not have to be borne entirely by the taxpayers and should be chargeable to those who create the need or the occasion for performing the service or function. The charging of fees for these administrative and enforcement services and functions is viewed as reasonable in light of what is provided, and does not cover the City's full cost of providing the services and functions.

–Increasing and adjusting certain fee categories is justified as an attempt to partially offset the effects of inflation and the increased need to recover a portion of costs.

4. The estimate of the annual cost to the local government for enforcement of the proposed rule is:

Minimal additional cost

5. If the proposed rule provides for a new fee or increases an existing fee, the total annual amount expected to be collected is:

Approximately \$845,000

6. If the proposed rule provides for a new fee or increases an existing fee, the money generated by the new fee or increase in existing fee will be used by the local government to:

Offset costs of administration and enforcement of licensing provisions, and provide a revenue source for the provision of general City services

7. If the proposed rule includes provisions that duplicate or are more stringent than federal, state or local standards regulating the same activity, the following explains why such duplicative or more stringent provisions are necessary:

N/A

Date: May 12, 2009